

**Council on Postsecondary Education
July 10, 2006**

2006-07 Agency Operating Budget

ACTION: The staff recommends that the Council approve the 2006-07 agency operating budget.

The 2006 General Assembly enacted House Bill 380, which provides appropriations of \$87,072,500 to the Council for FY 2006-07.

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|--------------------------|-------------------|
| General Fund | \$56,931,200 |
| Tobacco Settlement Funds | 4,431,200 |
| Restricted Funds | 6,610,700 |
| Federal Funds | <u>19,099,400</u> |
| TOTAL | \$87,072,500 |

The FY 2006-07 agency operating budget details revenues (including both appropriations and carry-forward amounts) and expenditures proposed for FY 2006-07 and presents comparative information from FY 2005-06.

The Council operates four major budget areas: operations, pass-through programs, strategic investment and incentive funding programs, and federal programs.

Within each of these major areas, additional financial and narrative detail is provided. The operations budget is presented as a consolidation of agency operations, KYVU/KYVL, and Kentucky Adult Education. Pass-through programs represent funds for which the Council has been designated as the receiving agency, but are intended for programs and activities conducted by outside entities. Strategic investment and incentive funding programs include both trust funds and funding programs, of which there are two new ones in FY 2006-07: the Regional Stewardship Funding Program and the Research Support Funding Program.

The proposed budget is divided into five sections:

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| Section 1 | Agency Summary |
| Section 2 | Operations |
| Section 3 | Pass-Through Programs |
| Section 4 | Strategic Investment and Incentive Funding Programs |
| Section 5 | Federal Funds |